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C O N F I D E N T I A L SECTION 01 OF 02 DURBAN 000037

SIPDIS

STATE FOR AF/S RUSH MARBURG

E.O. 12958: DECL: 7/16/2018 TAGS: PHUM PREL ELAB PGOV SF

SUBJECT: KWAZULU-NATAL: INTERNAL ANC DYNAMICS OVERSHADOW COSATU

CAMPAIGN

REF: A. (A) PRETORIA 1422

_B. REF: (B) DURBAN 36

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CLASSIFIED BY: CASEY SCHMIDT, POL/ECONOFF, POL, STATE. REASON: 1.4 (b), (d)

SUMMARY:

11. (C) On 9 July, the Congress of South African Trade Unions (COSATU) launched a strike in KwaZulu-Natal (KZN) province and organized a march through downtown Durban to protest rising energy and food prices, prompting thousands of businesses to close and reportedly costing the provincial economy millions of dollars. Several union leaders and African National Congress (ANC) provincial officials spoke during the demonstration at Durban's city hall, taking advantage of the platform to talk about internal ANC politics and ANC President Jacob Zuma's corruption case. Several speakers including Deputy ANC Provincial Chairperson, Willies Mchunu, encouraged the protesters to launch a much larger strike during Zuma's trial next month. The event was less about tough times for workers and more about demonstrating that the 'new' ANC leadership is in charge and that change within the ANC is upon us. End Summary.

PROVINCIAL ECONOMY SUFFERS FROM COSATU STRIKE:

- 12. (U) On 9 July, COSATU launched a "stay-away" strike in KZN province to protest unemployment linked to rising energy and food prices. This is part of an escalating program of 'stay-aways' that are to culminate with a national strike on August 6. According to local press reports, practically all of Durban's taxi and bus operations came to a halt and an estimated 70 percent of employees from labor-intensive industries failed to show up to work, costing the provincial economy nearly \$10 million. Although we cannot corroborate the damage to the provincial economy, Consulate staff observed minimal vehicle traffic and very few businesses open in Durban's central business district the day of the strike. Essential services such as police, hospitals, and public utilities were not affected, according to local press reports.
- 13. (C) As part of the strike, COSATU organized a peaceful march through Durban's central business district, concluding at city hall where several union leaders and politicians addressed the

protesters. Consulate staff observed between 2,500-3,000 people participating in the demonstration. Aside from one incident of taxis intentionally blocking traffic on a main Durban road and unconfirmed reports of verbal intimidation, the local South African Police Service reported no cases of violence, intimidation, or looting of shops associated with the protest.

COSATU AND ANC CALL FOR PROTEST DURING ZUMA TRIAL:

- 14. (C) During the demonstration at city hall, union leaders and politicians spoke very little of the strike's objective and largely took advantage of the platform to talk about internal ANC politics and ANC President Zuma's corruption trial. COSATU Secretary General, Zwelinzima Vavi, blamed South Africa's energy crisis on the national government, particularly its privatization policy, and stated responsible ministers including President Mbeki should "dismiss themselves." Vavi also lashed out at South Africa's Human Rights Commission (HRC) and stated that he will never apologize for his recent "kill for Zuma" statement that echoed last month's remarks made by ANC Youth League President, Julius Malema (Ref A). Chairman of KZN Taxi Alliance, Eugene Hadebe, also added during the demonstration that taxi drivers and owners are prepared to "die for Zuma."
- ¶5. (C) Deputy ANC Provincial Chairperson and Speaker of the KZN Provincial Legislature, Willies Mchunu, and South African Communist Party Secretary General, Blade Nzimande, also spoke during the demonstration in support of the COSATU strike. Nzimande thanked the marchers for demonstrating peacefully and criticized the Inkatha Freddom Party (IFP) for its violent protest against the municipality's street naming policy last month (REF B). He then told marchers that there is a new offensive by counter-revolutionary forces, such as the HRC and

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the Constitutional Court, trying to discredit Zuma and the new leadership. Mchunu encouraged the crowd to strike on the day Zuma's corruption trial in Pietermaritzburg next month (August 4). This call was echoed by the other speakers during the demonstration, including Vavi, who claimed that next month's national one day strike (August 6) will effectively "shut down" South Africa.

COMMENT:

16. (C) There are two political campaigns underway in South Africa. The general election campaign, which has barely begun, and the campaign within the ANC to drive underground and/or bring in line those who do not support ANC President Jacob Zuma. The latter is part of a unity drive on the part of the ANC as it readies itself for the general election next March/April. Most public events by the ANC or alliance partners, like the COSATU 'stay-away campaign,' are colored by the ongoing battle between the ANC in government (pro-Mbeki) and the ANC that rules the party itself (pro-Zuma). COSATU, SACP and ANC party leaders (all pro-Zuma) take advantage of these opportunities to demonstrate that they are in charge and that change is coming. The change from the 'old' ANC to the "new" is already underway in a number of provinces. Several provincial ANC organizations have held their post-Polokwane conferences and have voted in large slates of pro-Zuma leaders. It has already happened (septel) in KZN where the pro-Mbeki ANC Chairperson Sb u Ndebele has been replaced by Zuma confidante Zweli Mkhize. Look for more of the same across the country in advance of the general elections following which, the leadership of the ANC and the leadership of government will once again be one and the same.